IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORIGINAL SIDE.

INCOME TAX REFERENCE NO. 457 OF 1998..

The Commissioner of Income-tax,
City-VIII, Bombay. .. Applicant,
vs.
M/s Ankleshwar Paper Board Mills . .. Respondent.

Shri A.S. Rao for the Applicant.
None for the respondent.

CORAM: V.C.DAGA &
J.P.DEVADHAR,JJ.
DATED: 22-3-2005.

P.C.

1. Heard learned Counsel for the applicant. The Tribunal has referred the questions for the opinion of this Court reading as under:

> 1. " Whether, on the facts and in the circumstances of the case, the Tribunal was right in law in directing the I.T.O. to allow depreciation & Investment allowance on the cost of the assets without reducing subsidy received from the Government?"
>
> 2. "Whether on the facts and in the circumstances of the case, the Tribunal overlooked the fact that the cost of the depreciable assets to the assessee is the actual cost to the assessee after deducting the subsidy received from the Government.?"

2. The above questions have already been answered by the Division Bench of this Court in the case of C.I.T. vs. P.J. Chemicals Ltd. (1994) 210 I.T.R. 830 (SC) in the affirmative i.e. in favour of the assessee and against the revenue. In this view of the matter, reference stands disposed of in terms of that judgment

with no order as to costs.